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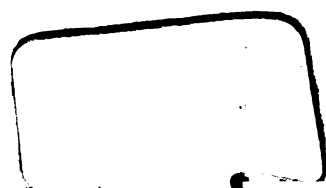
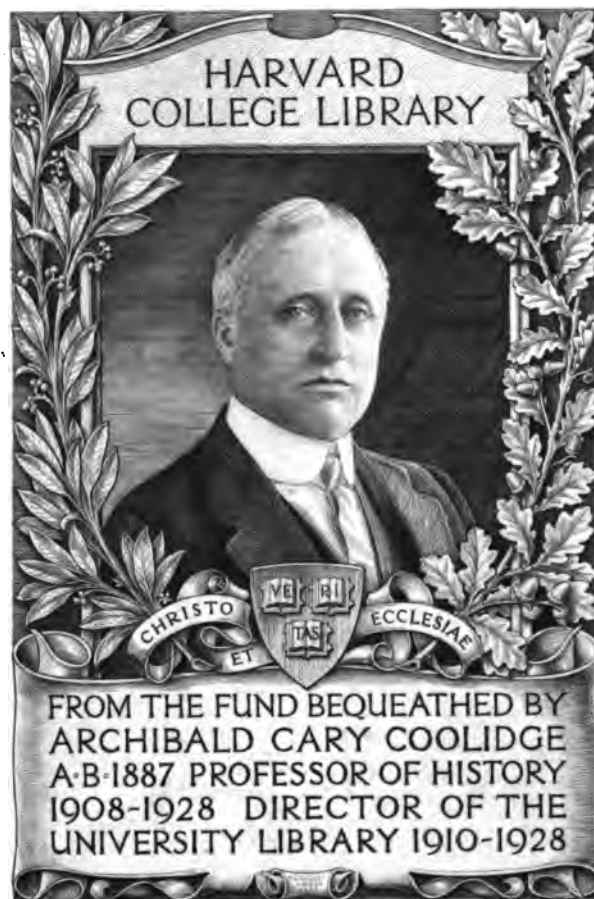
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CORRESPONDENCE

RELATIVE TO

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BETWEEN

THE UNITED STATES OF AMERICA,

AND THE

BRITISH WEST INDIA COLONIES.

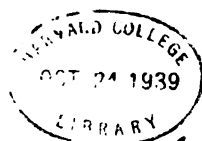
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CORRESPONDENCE
RELATIVE TO
COMMERCIAL INTERCOURSE
BETWEEN
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AND THE
BRITISH WEST INDIA COLONIES.

No. 1.

Albert Gallatin, Esq. to Viscount Dudley.

Upper Seymour-Street, June 4, 1827.

THE Undersigned, Minister of the United States of America, has the honour, in compliance with instructions from his Government, to present to the consideration of Lord Viscount Dudley, His Majesty's Principal Secretary of State for Foreign Affairs, some further explanatory observations on the subject of the Colonial Intercourse, which have been suggested by the Note of Lord Dudley's Predecessor in Office, of the 27th of January last.

It is not intended thereby to renew the discussion of Abstract Questions, already sufficiently debated, but to remove such misapprehensions as may still be entertained of the views and proceedings of the Government of The United States on that subject.

The Undersigned is instructed explicitly to state: 1st, that during the whole time, which elapsed between the Negotiations of the Year 1824 and the Order in Council of July 1826, the Government of The United States had entertained no doubt of the disposition of His Majesty's Government to renew the Negotiations on that point, and to settle it by a Conventional Arrangement: 2dly, that the conditions, on which it was intended by the Act of Parliament of July 1825, to open the Trade to American Vessels, have never been explained or distinctly understood, that they had not therefore been deliberately considered by the American Congress, and that that Body had not pronounced any Decision on those Conditions prior to the Order in Council of July 1826.

The reasons which had induced the belief, that His Majesty's Government was still disposed to Negotiate on that subject, have already been stated.

Whatever might be the abstract rights of Great Britain, and her opinion of those Rights, in respect to the regulations of an Intercourse between her Colonies and The United States, she had, in fact, consented to Negotiate on that subject. She had, as late as March 1826, eight months after the date of the Act of Parliament of July 1825, announced to the Government of The United States her disposition to renew the Negotiations generally, and without making an exception as to that point, which had been one of the subjects of the Negotiations intended to be renewed. The Act of Parliament had not been officially communicated, nor any intimation given that it was meant as a substitute to Negotiations.

It has not been unusual, at least on the part of The United States, to communicate such Acts as may affect, or are connected with Negotiations. The Convention of 1815 was made in pursuance of an Act of Congress, which was officially communicated to the Government of Great Britain.

With respect to that of March 1823, the Bill was, during its progress in Congress, communicated by the Secretary of State to His Majesty's Minister at Washington, and it became a topick of Official Conference between them

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while on its passage, and of Official Correspondence in less than a month after its enactment.

But it was because the Act of Parliament of July 1825 was intended by the British Government to supersede all Negotiation, that the communication of such a change of its resolution, as to the manner of regulating the Colonial Trade, was necessary to the only Power with whom Great Britain was Negotiating on that subject. It is not alleged that the omission was an intentional discourtesy towards the American Government. But it is, nevertheless, true that, combined with the invitation of Mr. Vaughan, to renew the Negotiations generally, it had the effect of misleading The United States, in regard to the views of the British Government.

It was to this end only that reference was made to the Letter addressed from the Department of State to a Member of Congress. That Letter, which was of a publick nature, and had acquired, by a Copy of it being furnished to Mr. Vaughan, an official character, might, with great propriety, be appealed to, as a conclusive evidence of the views taken at that time by the Government of The United States of the Act of Parliament.

The opinion expressed in that Letter was corroborated by the subsequent forbearance of the Government of Great Britain, to enforce that Act towards The United States. This suspension, which has since been declared to have been in consideration of the pendency before Congress of propositions arising out of the Act, had, for want of any explanation, the effect of confirming The United States in their belief, that Negotiation, and not Legislation, was the instrument still in the contemplation of both Governments for regulating the Colonial Intercourse.

It is much to be regretted that the instructions transmitted to Mr. Vaughan, and referred to in the Note of Lord Dudley's Predecessor in Office, of the 27th January last, did not authorize him to make any communication on the subject during the Session of Congress. Had any explanation been given at that time of the true meaning of the Conditions offered by the Act of Parliament, and of the ultimate views of His Majesty's Government, Congress would have been enabled and induced to deliberate and decide on those Conditions.

It has, however, been inferred from the publick proceedings of the Legislature of The United States, that they had, on a free and deliberate consideration, declined to subscribe to the terms on which exemption from Colonial prohibition was impartially tendered to all Nations.

It may often happen, when referring to the proceedings of the Legislatures of another Nation, which have terminated in no affirmative Act, that the Votes and Resolutions, on Measures which have not been thus matured, may not be fully comprehended; that the motives and bearings of those Votes and Resolutions may be misconceived. Some notice will be taken of the proceedings alluded to, for the purpose of correcting the erroneous impression which they seem to have made.

A Petition from Baltimore, such as has been described by His Majesty's Secretary of State for Foreign Affairs, was presented to Congress. The Petitioners were uninformed of the Negotiations of 1824, and of the subsequent Correspondence between the Two Governments. The Petition was referred in both Houses to the regular Committees. A separate Motion for the repeal of the discriminating Duties had been previously made in the House of Representatives, and had been referred in the same manner.

The Committee of the House of Representatives, whether knowing that the subject had been taken up in the Senate, or from any other cause, made no Report. There was no Resolution discussed in that House, and consequently no deliberation or decision upon it.

The Committee of the Senate understood a compliance with the request of the Petitioners to be tantamount to an admission "of British Vessels, indiscriminately, into the Ports of The United States, with their cargoes, from whencesoever arriving, or of whatsoever composed, on the same terms as American Vessels, or those of the most favoured Nations, which is the same

thing:" and they reported, in substance, that there was a strong ground of preference for an arrangement being effected, if practicable, by a Convention between the Two Governments, rather than to rely on independent Acts of Legislation, sometimes ambiguous, and at all times subject to revocation; that a corresponding desire to arrange that Intercourse appeared to exist on the part of the British Government; that the Negotiations respecting it were expected to come to a definitive issue before the next Session of Congress; and that it was not, therefore, expedient at that time to legislate on the subject.

This Report was made to the Senate on the 31st of March 1826, nine days after Mr. Vaughan's Communication on the renewal of the Negotiations.

It was re-committed, with an understanding that a Bill should be brought in, repealing the discriminating Duties. Such a Bill was accordingly reported, a Copy of which the Undersigned has the honour to enclose, containing a repeal, and nothing but a simple repeal, of these Duties.

The Bill was, on motion, ordered to lie on the Table, by a majority of two Votes. This vote, the only one taken upon it, had no other effect but to prevent the Bill being acted upon on that day. It might have been called up on any other day, but it had been brought in near the close of the Session; and, whether from want of time, or, what is more probable, from reliance on the successful issue of Negotiations, it was not again taken into consideration. Had it been taken up and passed into a Law, it would not have been such a compliance with the terms of the Act of Parliament of July 1825, as was contemplated by Great Britain, since it did not repeal the restrictions laid by a former Act of Congress on the circuitous or indirect Intercourse.

It appears from the course of the proceedings, and from the result, that the subject was not taken up in one of the Houses; and that, in the other, the precise purport of the terms offered by the Act of Parliament was not, at that time, more distinctly understood than by the Executive, whilst the same reliance seems to have been placed in the result of the expected Negotiations. It is certain, that the Conditions of the Act of Parliament, such as they are therein expressed, were not taken into deliberate consideration by the American Congress, and that that Body has never rejected nor pronounced any decision on those Conditions.

Up to this day, it is still uncertain whether the real meaning of those terms is distinctly understood by The United States. The doubts entertained in that respect were stated at large in the Note of the Undersigned of the 28th of December last; and no explanation has since, any more than at any former time, been given by His Majesty's Government.

The preceding review has been taken, not for the purpose of complaining of the conduct of Great Britain, but with the hope of satisfying the Government of His Britannick Majesty, by this exposition of the acts of the Government of The United States, and of the impressions under which it acted, that it has not, in regard to the Colonial Trade, deviated from its uniform course, and relaxed its constant endeavours to preserve and strengthen the amicable relations between the Two Countries.

No doubt is entertained, on the other hand, of the dispositions of His Majesty's Government, at the time when the Act of Parliament was enacted, that, considering the Intercourse between The United States and the British West Indies as beneficial, it was their intention that it should continue open, on certain terms, and that, although these differed from those offered to most other Commercial Nations, and may also have been misunderstood, they would not have been found, when properly explained, to be altogether inadmissible. Had it been otherwise, the Interdict, laid on the American Navigation by the Order of Council of July 1826, would at once have been embodied in the Act of Parliament of July 1825.

Both Governments, actuated by a sincere wish to effect a satisfactory Arrangement, have failed to attain that object, from a misconception of each other's views as to the mode of accomplishing it. Whilst the British Government expected the passage of an Act of Congress, acceding to the Condi-

tions of the Act of Parliament, the Government of The United States confided in the belief, that it was still the intention of Great Britain to arrange the subject by a Convention.

It is now unavailing to dwell upon the past, and to enquire whether either, or both Governments, had sufficient reasons for their expectations. The fact is, that they entertained such expectations, and have both been disappointed; and it will be more profitable and consistent with the friendly understanding between the Two Countries to attend only to the relative situation in which they are now placed.

The United States, though preferring a Conventional Arrangement, as more permanent, and, perhaps, more easily effected than one founded on mutual Legislation, are not exclusively attached to any particular mode.

There is indeed this advantage in Legislative Regulation over Conventional Arrangement, in respect to subjects not fully tested by experience, that what may be deemed concession by either Party may, at any time, be modified, if found actually injurious.

Thus, for instance, the President of The United States would not, without reluctance, have consented to a Treaty Stipulation, allowing that circuitous Trade between The United Kingdom and the British Colonies, through The United States, which, if permitted, must be enjoyed exclusively by the British Navigation; whilst he is willing that the experiment should be made by virtue of reciprocal Laws, revocable at the pleasure of either Government.

The Undersigned is accordingly authorized to say that, under the influence of these considerations, the Government of The United States acquiesces in the decision, which has been taken by the Government of Great Britain, that the Intercourse between The United States and the British Colonies shall be regulated by the Laws of the Two Countries; and that the President is disposed to promote a restoration of that Intercourse, founded on such respective Laws.

The Undersigned prays Lord Dudley to accept, &c.

Lord Viscount Dudley,
&c. &c. &c.

(Signed) ALBERT GALLATIN.

Enclosure in No. 1.

A Bill supplementary to an Act, entitled "An Act to regulate the Commercial Intercourse between The United States and certain British Colonial Ports."

BE it enacted by the Senate and House of Representatives of The United States of America, in Congress assembled, that no other or higher duties of import or tonnage, and no other or higher duty or charge of any kind, upon any goods, wares, or merchandize, imported from the free Ports of the British Colonies, viz :

Kingston, in Jamaica;
Savannah Le Mar, ditto.
Montego Bay, ditto.
Saint Lucia, ditto.
Antonio, ditto.
Saint Ann, ditto.
Falmouth, ditto.
Maria, ditto.
Morant Bay and Anotto Bay, Jamaica;
Saint George, in Grenada;
Roseau, in Dominica;
Saint John's, in Antigua;
San Josef, in Trinidad;
Scarborough, in Tobago;
Road Harbour, in Tortola;
Nassau, in New Providence;

Pittstown, in Crooked Island;
 Kingston, in Saint Vincent;
 Port Saint George and Port Hamilton, in Bermuda;
 Any Port where there is a Custom-House, in Bahamas;
 Bridgetown, in Barbadoes;
 Saint John's and Saint Andrew's, in New Brunswick;
 Halifax, in Nova Scotia;
 Quebec, in Canada;
 Saint John's in Newfoundland;
 Georgetown, in Demerara;
 New Amsterdam, in Berbice;
 Castries, in Saint Lucia;
 Basseterre, in Saint Kitt's;
 Charlestown, in Nevis;
 Plymouth, in Montserrat;

in British Vessels, shall be levied or exacted in any of the Ports of The United States, (excepting the Ports in Florida), than upon the Vessels of The United States, and upon the like goods, wares, or merchandize, imported into the Ports of The United States, in the same; any thing in the third section of the Act to which this is supplementary, dated the 1st of March 1823, to the contrary notwithstanding.

Section 2. And be it further enacted, that this Act shall be in force from and after the 30th day of June next, Provided nevertheless, that upon satisfactory evidence being given to the President of The United States, that any discriminating duties of tonnage or import, are imposed or levied, in either of the Ports aforesaid upon Vessels wholly belonging to Citizens of The United States, or upon merchandize the produce or manufacture thereof imported in the same, the President is hereby authorized to issue his Proclamation declaring the fact, whereupon this Act shall thereafter be suspended and discontinued so far as it respects the Ports or Places in which such discriminating duties are imposed or levied.

No. 2.

Albert Gallatin, Esq. to Viscount Dudley.

Upper Seymour-Street, August 17, 1827.

THE Undersigned, Minister of The United States of America, had the honour to address, on the 4th of June last, a Note on the subject of the Colonial Intercourse, to Lord Viscount Dudley, His Majesty's Principal Secretary of State for Foreign Affairs.

The principal object of that Note was to remove such misapprehensions as might still be entertained of the views and proceedings of the Government of The United States on that subject, and, at the same time, to express the disposition of the President, to promote a restoration of that Intercourse, founded on the respective Laws of the Two Countries.

This overture has been founded on the belief, that the present state of things has not arisen from any intentional act of either Government, but from misconceptions of each other's views, which must now be removed. It was the avowed intention of that of Great Britain, at the time when the Act of Parliament of July 1825 was enacted, that the Intercourse should continue open on certain terms. For this there could be no motive but a conviction, that the Commerce, which had, almost without interruption, been carried, from their first Settlement, between the British West Indies and The United States, was mutually beneficial. It is, therefore, presumed to be the wish of both Parties, that an interdict, which has been the result of fortuitous circumstances, may, if practicable, be removed.

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Under that impression, the President of The United States is willing to recommend to Congress at its next Session, 1st, To open again the Ports of The United States to British Vessels coming from the British Colonies; allowing the entry, into the said Ports, of British Vessels, laden with such British produce, or produce of the British Colonies, as American Vessels can lawfully import, without paying any alien or discriminating Duties, and on payment only of the same and no higher Duties or charges of any kind, on either Vessels or Cargoes, than are under the same circumstances payable by American Vessels or Cargoes; 2dly, To abolish the restriction contained in the Act of Congress of March 1823, which confines the Trade to a direct intercourse between the British Colonies and the United States.

The effect of this measure will be to leave Great Britain in the exclusive possession of the circuitous Trade between The United Kingdom and The United States, through the British Colonies. All the provisions in former Acts of the American Government, which had been deemed objectionable by that of His Majesty, will thereby be repealed. The condition contemplated by the Act of Parliament, as it is now understood, will be fulfilled. Every obstacle which had heretofore prevented an arrangement, would, if this was still a subject of Negotiation, be removed.

The Government of The United States would have had no doubt that, upon the passage of an Act of Congress of that tenour, the Interdict laid on American Shipping under the Act of Parliament of 1825, would be removed as a matter of course, had it not been for the declaration contained in the Note of His Majesty's Principal Secretary of State for Foreign Affairs to the Undersigned, dated the 11th of September 1826.

It was there announced, that "after having been compelled to apply to any Country the Interdict prescribed by the Act of 1825, the British Government cannot hold itself bound to remove that Interdict, as a matter of course, whenever it may happen to suit the convenience of the Foreign Government to reconsider the Measures by which the application of that Interdict was occasioned."

A subsequent Act of Parliament contains provisions of a general nature, corresponding with that declaration; but continues in force the discretionary powers vested in His Majesty on the subject.

Under those circumstances, the President cannot, it would indeed be useless for him to make the intended recommendation to Congress, and to agitate the question anew, without having previously ascertained the intentions of His Majesty's Government. Though not bound to remove the Interdict as a matter of course, the question is, whether they are disposed, under certain contingencies, to do it at this time.

The Undersigned has therefore been instructed to enquire, whether if Congress should, during its next Session, pass a law to the effect above stated, the Order in Council of the 27th of July 1826, will be revoked, the discriminating Duties on American Vessels in the British Colonies be abolished, and those Vessels be allowed to enjoy the privileges of Trade and Intercourse with those Colonies, according to the Act of Parliament of the 5th of July 1826.

He prays Lord Dudley to favour him with an answer to that enquiry, the object of which is only to ascertain the intentions of His Majesty's Government, in reference to an Act of the tenour aforesaid, that should be passed by Congress at its next Session.

It would be distinctly understood, that those mutual Acts would not have the character of a Compact, and that their only effect would be to open the Trade for the time, without at all binding the Parties; each remaining in the complete possession of its rights with respect to that Intercourse, in conformity with the terms of the Commercial Convention between the Two Countries.

The Undersigned prays Lord Dudley to accept, &c.

Lord Viscount Dudley,
&c. &c. &c.

(Signed)

ALBERT GALLATIN.

The Earl of Dudley to Albert Gallatin, Esq.

Foreign Office, October 1, 1827.

THE Undersigned, &c. has the honour of acknowledging the two Official Notes of the 4th of last June, and the 17th of last August, addressed to him by Mr. Gallatin, &c. on the subject of the Intercourse between The United States and the Colonial Possessions of Great Britain.

The Note of the 4th of June, although it closed with a profession of the acquiescence of the American Government in the decision of Great Britain, that the Intercourse in question should be regulated by mutual Laws rather than by Treaty, was yet directed chiefly to an explanation of certain circumstances in the conduct of The United States, and did not appear to the Undersigned to call for any Reply on his part.

In the succeeding Note, however, of the 17th of August, the statements and reasonings of the former are followed out by Mr. Gallatin into a definite Proposition, undoubtedly requiring from the British Government a direct Answer. In this Note it is stated that the President of The United States is willing to recommend to Congress the adoption of certain Measures, tending to relax the restrictions imposed by the American Legislature in the Intercourse of The United States with the British Colonies through the medium of British Ships; which Measures Mr. Gallatin shortly specifies; and it is asked whether, if Congress should, during its next Session, pass a Law to that effect, "the Order in Council of the 27th of July 1826, will be revoked, the discriminating Duties on American Vessels in the British Colonies be abolished, and these Vessels be allowed to enjoy the privileges of Trade and Intercourse with those Colonies according to the Act of Parliament of the 5th July 1825."

It is at the same time observed by Mr. Gallatin, that the Government of The United States would have had no doubt that, on the enactment of such a Law by Congress, the Interdict laid on American Shipping, under the Act of Parliament of 1825, would be removed as a matter of course; had not Mr. Canning, in his Letter to Mr. Gallatin of the 11th September 1826, declared, that after having been compelled to apply the Interdict to any Country, the British Government cannot hold itself bound to remove that Interdict as a matter of course, whenever it may happen to suit the convenience of the Foreign Government to reconsider the Measures by which the application of that Interdict was occasioned.

Mr. Gallatin truly adds, that an Act of Parliament was afterwards passed, containing provisions corresponding with the declaration so made by Mr. Canning.

The Undersigned takes pleasure in recognizing, in both these Letters of Mr. Gallatin, and especially in the enquiry which closes the second of them, the same spirit of good will and conciliation, which, in the midst of discussions involving no small difference of opinion, has characterized Mr. Gallatin's Correspondence with the British Government. The Undersigned hopes it is unnecessary to observe, that His Majesty's Government is influenced by the same sentiments, and that, although he thinks himself bound to offer some observations on topicks of debate and conflicting interest, he presents them with no feelings but such as ought to pervade discussions between two Nations, allied in origin, and he trusts he may add, allied also in desire to improve and strengthen the relations of ancient kindred by mutual offices of kindness and amity.

Connecting together the two Notes of Mr. Gallatin, the topicks which they suggest for present consideration, seem to be three.

First. It may be expedient to observe on the declaration which Mr. Gallatin has quoted from Mr. Canning, and which appears to be regarded by the Government of The United States as a deviation from what might have been anticipated as the natural course of proceeding.

Secondly. Some comment may be offered on the explanation into which Mr. Gallatin has entered, of the conduct of the Government and the Legislature of The United States, in relation to the Intercourse with the British Colonies, under the operation of the Act of Parliament of July 1825.

And this course of observation will naturally introduce into view, in the third place, the Proposition which forms the more immediate subject of the Note of the 17th of August.

1. With regard to the declaration of Mr. Canning, The Undersigned thinks it not unimportant to remark that the sentiment, which in that declaration Mr. Canning so pointedly expresses, is in fact exactly consistent with the general principles always professed by the British Government on the subject of Colonial Intercourse, which principles are expounded in the argument of Mr. Canning.

The leading position contended for by Mr. Canning is this, that the exclusion of Foreigners from a direct Intercourse with the British Colonies, is altogether agreeable to the received and ordinary doctrines of the Colonial Policy of modern times.

The established usage of Nations possessing Colonies, interdicts that Intercourse to all but their own subjects. If such Interdict be in any case relaxed, the case is one of exception, and if, having once been relaxed, it is re-enforced, this is but a restoration of the received rule. The necessary consequence is, that in any instance, not governed by special regulation, it would be the continuance, and not the suspension of the Interdict, that would alone be contemplated as a matter of course.

In re-asserting these principles, and in immediately connecting them with the declaration cited from Mr. Canning, it is by no means the object of the Undersigned to revive a discussion which is already exhausted. He is desirous only of shewing, that the reservation which Mr. Canning for his Government makes, of a discretionary continuance of the Interdict in question, in every case in which it has been once imposed, is in entire harmony with the general maxims of Colonial Policy, and, consequently, that the application of the rule, in any given instance, ought not to be regarded as a proceeding of a singular, and still less of an unfriendly character.

2. In this connexion, however, the question may seem to arise, whether the proceedings of The United States were such as fairly to incur the application of the Interdict in the first instance. The question is, in fact, involved in the explanations, into which Mr. Gallatin has at some length entered, respecting the conduct of The United States, during the time that elapsed between the passing of the Act of Parliament of July 1825, and the issuing of the Order in Council of July 1826. To those explanations The Undersigned will next briefly advert.

The effect of Mr. Gallatin's argument may perhaps be thus exhibited.

Admitting that, after the British Statute of July 1825 was passed, The United States ought to have done certain acts to bring themselves within the benefit of that Statute, yet the omission by The United States to do those acts was not, (as the British Government supposed, when it issued the Order in Council of 1826), an advised and deliberate proceeding, but was the result of an erroneous impression respecting the views and intentions of the British Government; and hence there may appear some ground for a revision of the British Order in Council, that Measure having, in truth, been resorted to, under the influence of a reciprocal mistake.

In commenting on this argument, it is not necessary to enquire whether, on the supposition that the error or inadvertence of The United States had been occasioned by some default on the part of the British Government, that Government would have been under an equitable obligation to reconsider the steps it had taken, in ignorance of such error or inadvertence.—There is, in fact, no room for any such supposition.

Deeply as Great Britain must regret the misapprehensions, whatever they might be, under which The United States acted, she cannot in justice charge herself with having occasioned them. She cannot but think that a fair oppor-

tunity was afforded to the American Government and People to avail themselves, if they thought fit, of the Provisions of the Act of July 1825, and the term of that option having expired, she cannot conceive herself called upon to retract, as a matter of course, the Measures which, under the actual circumstances in which she found herself placed, she was led to adopt, on a matter so peculiarly within her exclusive controul as the Trade of her own Colonies.

It may be proper, however, to examine this subject a little more particularly. From the statement of Mr. Gallatin, it appears that the omission of The United States to comply with the Conditions prescribed by the Act of July 1825, is resolvable into two Causes :—First, neither the Government nor the Congress rightly understood those Conditions, the interpretation of which, indeed, is represented to be a matter of much difficulty :—Secondly, the Government, and probably the Congress also, entertained an opinion, that Great Britain did not mean to affect The United States by the Act of July 1825, but intended to arrange the Intercourse of that Country with the British Colonies by Negotiation.

Mr. Gallatin is also at pains, on this part of the subject, to explain the proceedings in the American House of Representatives, respecting the Bill for the repeal of the discriminating Duties on goods imported in British Vessels from the British Colonies. The Bill, he observes, was not, as Mr. Canning had supposed, *rejected*; it was, by a majority of two votes, ordered to lie on the Table, which would not have the effect of preventing the House from proceeding with it on any future day; though, either on account of the lateness of the Session, or what is more probable, from reliance on the successful issue of Negotiations, the consideration of it was not, in fact, resumed.

To begin with the point last mentioned. Mr. Gallatin, on the nature and effect of the proceedings in the House of Representatives, is, of course, an authority beyond exception. Even on that authority, however, it appears that the Bill in question was dropped deliberately; for it was disposed of after a keen contest, and was never revived; a mode of treating it, which, judging from analogous proceedings in the Legislative Assemblies of this Country, can hardly be regarded otherwise than as an effectual, though an indirect, rejection.

But whatever construction may be put on the fate of that abortive Measure, this, at least, may be asserted, that the Congress, having during a whole Session had the subject under consideration, designedly omitted to legislate in reference to the British Act of July 1825. The reasons assigned for that omission are next to be considered.

Mr. Gallatin very clearly states, that the Conditions on which it was intended, by the Act of July 1825, to open the Colonial Trade to American Vessels, were not distinctly understood in The United States; but what was the precise nature of the difficulty experienced in construing those Conditions, the Undersigned has not been able to collect. For, with regard to the specifick doubts which Mr. Gallatin mentions as attaching to the meaning of the Act, these he seems to state, rather as suggesting themselves to his own mind, on a view of the Provisions of the Act, than as the recorded grounds of the perplexity felt by the American Government or Legislature.

A full exposition of those doubts was, in fact, given by Mr. Gallatin, in his Note to Mr. Canning of the 28th December 1826, and that exposition is, by reference, embodied in the Note now under consideration, of the 4th of June, in which last Note Mr. Gallatin observes, that no explanation, in respect to those doubts, has ever been given by His Majesty's Government.

The portion of the Act to which the remarks of Mr. Gallatin apply, is the condition on which the Intercourse with the British Colonies is opened to other Countries possessing Colonies of their own; namely, that they shall place the Commerce and Navigation of this Country, and of its Possessions abroad, upon the footing of the most favoured Nation.

Without meaning to admit or to deny the justice of Mr. Gallatin's criticism on that Clause, the Undersigned bears a willing tribute to its force and ability; but the question, after all, is, whether the Clause referred to, threw such a practical difficulty in the way of American Legislation on the subject, as to account for the total inaction of the Congress of The United States. And to this question the last Note of Mr. Gallatin, (that is the Note of the 17th August,) presents a conclusive answer.

It there appears that, notwithstanding those unexplained doubts, the American Government has found no difficulty in tendering to the British Government the passing of certain specific Enactments by Congress, as the Condition contemplated by the Act of July 1825; that is, as the very Condition which appeared so inexplicable.

Not only so, but it is observed in that Note, (as has already been mentioned,) that, had it not been for Mr. Canning's declaration to the contrary effect, "the Government of The United States would have had no doubt that, upon the passage of an Act of Congress of that tenour, the Interdict laid on American Shipping under the Act of Parliament of 1825, would be removed as a matter of course." It is unnecessary to remark, that the conditions on which, under that Act of Parliament, the Interdict on American Shipping would be revocable, are the very conditions on which the Act makes Foreign Shipping admissible to the British Colonies; the passage, consequently, just cited from Mr. Gallatin, shews, that whatever doubts might attach to those conditions, on the principles of severe construction, they seemed to the Government of The United States so perfectly clear for all practical purposes as to be susceptible only of one interpretation.

Even admitting, however, up to any required extent, the difficulty of construing the Act, still it seems not so easy to account for the inaction of the American Legislature, and still less for that of the American Government. The Legislature might be unable to determine what was precisely meant by the condition of placing the Shipping of Great Britain and her Possessions abroad on the footing of the most favoured Nation; but there could be no doubt that the Condition, in any construction of it, could never be fulfilled, so long as the discriminating Duties remained unrepealed; that the abolition of those Duties was, therefore, an essential term in the Condition; and that this term could be supplied only by an Act of Congress. If however the Legislature could not thus proceed, at least the Government, which must have felt with it, had an effectual remedy for every difficulty—that of reference to Great Britain for explanation; and the Undersigned is really at a loss to conceive why the whole Session of 1825-26 was suffered to pass away, without any resort to an expedient so obvious and decisive.

Besides, however, the alleged ambiguity of the British Enactment, there was a concurrent cause which prevented the Government and Legislature of The United States from taking any steps relating to it. They were satisfied that the British Government either considered The United States as exempt, or meant to take special means of exempting them, from the operation of the Enactment; and that the Commercial relations between The United States and the British Colonies were, after all, to be arranged by Treaty, and not by reciprocal Laws.

The grounds on which this persuasion was entertained, are very fully set forth and discussed in the Correspondence between Mr. Gallatin and Mr. Canning, and the subject appears so nearly exhausted, that the Undersigned sees no occasion for entering into it at large.

It is indeed self-evident, that the Government of The United States set out with a very mistaken opinion of the views of Great Britain, respecting her Colonies, and, more especially, respecting the importance to those Colonies of a direct Intercourse with the Ports of The United States. This at least seems the only principle which would account for what is otherwise difficult of explanation, namely, that from the very few, and at the best, doubtful indications alluded to in the Correspondence, the Government of The United

States should not only have inferred intentions on the part of the British Ministry, which, *prima facie* at least, were in direct contrariety to an elaborate Act of Parliament recently introduced by that very Ministry; but should have deduced such inference so confidently, as to act upon it for months together implicitly, although during all that period it received no support or confirmation of any kind from the British Government, and although it was more than once, in official communication with the American Government, strongly discountenanced by the British Minister at Washington.

The supposition entertained by The United States consisted of two alternative members, the first of which was, that the British Government did not mean so to construe the Act of July 1825, as to comprehend The United States within it at all. That is, in an Enactment professedly regulating the Intercourse of the British Colonies with all Foreign Countries, the description "Countries not having Colonial Possessions," did not include The United States, although it is admitted that no other expression in the Act can possibly apply to The United States; although this very Negotiation proves the pre-eminent interest of The United States in the subject of the Enactment; and, although Mr. Gallatin himself observes, that, "with the exception of some of the German States, the terms (of the Enactment) apply to no other Maritime Power."

But if the Act could not be so construed, then it was believed that the British Government must be intending to exclude The United States from the sphere of it, by a special Order in Council. This supposition is indeed less violent than the former: the Enactment being expressly subject to the exception, "unless His Majesty by His Order in Council shall in any case deem it expedient to grant the whole or any of such privileges to the Ships of any Foreign Country, although the Conditions aforesaid shall not in all respects be fulfilled by such Foreign Country."

Yet surely, it was a little premature to assume, that Great Britain would gratuitously step forward to nullify the important rule which she had just enacted, in the very case to which (on this supposition) it pre-eminently applied. Still more, that she should, without reason shewn or asked, deviate from those principles of reciprocity for which she had been so strenuously contending, and deviate from them in the case of that very Nation to which she had, in regard to those very principles, been making frequent and unsuccessful remonstrances. And, most of all, does it seem remarkable that this persuasion, adopted by Mr. Clay in December 1825, when he felt satisfied that the expected Order in Council was already on its way to America, should have been left wholly unshaken by the lapse of six months, during which no such Order arrived, nor the remotest intimation of its being passed or intended.

It will not for a moment be imagined that, by these observations, the Undersigned intends to cast any doubt on the explanation which has been given of the proceedings of The United States on the occasion alluded to, or to question the motives which dictated those proceedings. But he deems it due to his own Country, due indeed to both the Countries involved in these discussions, that each Party should state its opinions and impressions with perfect frankness,—a frankness, indeed, of which Mr. Gallatin himself has very honourably furnished an example, and which the Undersigned deems not only consistent with friendly feelings, but even essential to a mutual good understanding and confidence. It is then, in the judgment of the Undersigned, important to shew, and with all proper deference he conceives himself to have in fact shewn, that the misapprehensions with regard to the views and intentions of Great Britain, by which the Government and the Legislature of The United States appear, in the present instance, to have been misled, were not warranted by any part of the conduct or the language of the British Government; and that this Country, therefore, is not responsible for those misapprehensions, nor obliged, as of course, to reconsider any Measures on her own part, or to repair any ill consequences on the part of others, to which they may have given rise.

And hence the Undersigned is naturally led to the 3d, and only remaining topick of the present Note.

Mr. Gallatin asks, whether, in the event of such a Law as he describes being past by Congress, the British Government would revoke the Order in Council of the 27th of July 1826, and adopt the other Measures which he concurrently mentions.

The Undersigned does full justice to the frank and friendly tone in which this enquiry is made, and he feels that the answer of the British Government ought in the same proportion to be explicit.

Without commenting on the particular Provisions of the Law which, according to the supposition of Mr. Gallatin, is to be enacted by Congress, it is proper to say, that the British Government cannot prospectively commit itself to the adoption of any specifick line of conduct in the event of such Law being enacted.

With whatever conformity to the suggestions of Mr. Gallatin, the proposed Law may, as to its general principles, be framed, still those general principles are liable to be accompanied by details, which no anticipation can embrace.

Much also may turn, on the position and circumstances, both of this Country, of The United States, and of the Commercial Commonwealth in general, at the time when such Law shall come into effect. This last consideration is indeed conclusive, for it has relation to the very essence of the principles which the British Government entertains on the present subject. Strictly asserting her right to prohibit or to regulate the Intercourse of Foreigners with her Colonies, according to her conception of her own Interests, and without explanation or apology to other States, it would be impossible for Great Britain, without a compromise of her principles, to pledge Herself by advance, and with reference to circumstances yet unknown or partially foreseen, to the establishment of any particular System of policy in relation to such Intercourse.

On another and distinct ground, the mode of proceeding suggested by Mr. Gallatin seems liable to exception. In adjusting her Colonial Relations with Foreigners, this Country has preferred the method of Municipal Legislation to that of Treaty, and The United States have at length acquiesced in that preference, though not themselves approving it. The process recommended by Mr. Gallatin, (and which, if adopted, must become a precedent), would seem to combine the disadvantages of both methods, without proportionably securing the benefits of either.

If the terms of Colonial Intercourse are to be adjusted by mutual Laws, but those Laws themselves are to be founded on informal Agreements, previously entered into between the Governments, it is manifest that a course of proceeding is pursued, which fully ensures neither the certainty and notoriety of International Convention, nor the facility and independence of Domestic Legislation.

On the whole, His Majesty's Ministers feel themselves under the necessity of declining to give the pledge invited by Mr. Gallatin, and this with no special or exclusive reference to the peculiar Measure in question. Their resolution is the result of considerations, general in their nature, and conclusive against a prospective pledge of any description respecting the Colonial Policy of Great Britain, whether of relaxation or restriction.

In the formation of this Decision, the Undersigned is persuaded that it is unnecessary to disclaim the influence of any unfriendly feelings towards The United States. He can only repeat, that the English Government cherishes for The United States sentiments only of sincere amity.

The Undersigned, &c. &c.

Albert Gallatin, Esq.
&c. &c. &c.

(Signed)

DUDLEY.

No. 4.

Albert Gallatin, Esq. to The Earl of Dudley.

Upper Seymour-Street, October 3, 1827.

THE Undersigned, Minister of The United States, has the honour to acknowledge the receipt of the Note addressed to him, on the 1st of this Month, by Lord Dudley, His Majesty's Principal Secretary of State for Foreign Affairs, in answer to the Notes of the Undersigned of the 4th of June and 17th of August last, on the subject of the Colonial Intercourse.

It is believed that Lord Dudley would, on a close examination of the Measures which the President of The United States was willing to recommend to Congress, have been satisfied that those Measures would not only have tended to relax, but would have altogether abrogated all the restrictions imposed by the American Legislature on the Colonial Intercourse through the medium of British Vessels.

The objection drawn from an anticipation of the details, which might have accompanied the general principles of the proposed Law, would have been easily removed. And those that are suggested against the process recommended by the American Government, seem less conclusive against it than supporting the preference which The United States had given to an Arrangement by Treaty.

But since His Majesty's Ministers are of opinion that much may turn on the position and circumstances of Great Britain, of The United States, and of the Commercial World in general, when such Law should come into effect, and since, in declining to give the pledge invited by the overture of America, they have explicitly declared that their resolution was the result of considerations, general in their nature and conclusive against a prospective pledge of any description respecting the Colonial Policy of Great Britain, the Undersigned, whose efforts to obtain a more favourable answer to the enquiry he had been directed to make have been unavailing, has no other duty to perform in that respect than to transmit to his Government the determination of that of Great Britain.

It is with regret that the Undersigned finds that Lord Dudley, who had at first considered the Note of the 4th of June as not calling for any reply, has now deemed it necessary to offer some comment, on the explanations contained in that Note, of the conduct of the Government of The United States, in relation to the Colonial Intercourse subsequent to the Act of Parliament of July 1825. He had designedly separated the explanations from the enquiry, and suffered more than two months to elapse between his two Notes, in order to afford sufficient time for any reply which that of the 4th of June might require, and in order that, the Discussion on the topics embraced by it being finally concluded, the Proposal he had to make might be taken into consideration, without any retrospect of antecedent circumstances, and solely as a question of policy and mutual convenience. It is with unfeigned reluctance that he finds himself compelled again to revert to points already so much debated, and to take some notice of Lord Dudley's observations, on explanations which, it had been hoped, would have been deemed satisfactory.

It is correctly stated that the reasons alleged by The United States, for not having complied with the Condition prescribed by the Act of Parliament of July 1825, were, 1st, because the opinion was entertained that it was still the intention of Great Britain that the Intercourse should be arranged by Negotiation; 2dly, because it was not known whether the Condition was rightly understood.

On the last point, Lord Dudley seems to think that the doubts, which the Undersigned had mentioned as attaching to the meaning of the Act, were rather the suggestions of his own mind, than the recorded grounds of the

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perplexity felt by the American Government or Legislature. And he infers, from the specifick proposal contained in the Note of the Undersigned of the 17th of August, and from an allusion to a declaration of Mr. Canning, that the Condition in question had seemed to the Government of The United States so perfectly clear for all practical purposes, as to be susceptible only of one interpretation.

The Note of the Undersigned, in which he tried to explain in what consisted the difficulty of understanding what was meant by the Condition of the Act of Parliament, is that of December 28, 1826; and that Note was explicitly stated to be founded on a "Despatch from the Secretary of State of The United States, the substance of which he was instructed to communicate to Mr. Canning." The statement of the doubts attaching to the meaning of the Act, though varied in the expression, was in substance taken from that Despatch, which, although it has not attracted the notice of Lord Dudley, was communicated to Congress, and re-published in December or January last in several of the London Newspapers.

But as, notwithstanding this, doubts may still be entertained respecting the recorded grounds of the perplexity felt on that subject by the American Government and Legislature, during the Session of 1825, 1826, the Undersigned has the honour to enclose a Copy of the Report of the Committee of the Senate of March 31, 1826, to which he had already alluded in his Note of the 4th of June.

This Document will satisfy Lord Dudley, that the Committee had under consideration the Baltimore Memorial, requesting that British Vessels, from whatever Ports, might be admitted (in the Ports of The United States) on the same terms as the Vessels of the most favoured Nations; and that the Committee's Report against the prayer of the Petitioners was founded on two reasons:—First, that to admit British Vessels indiscriminately with their Cargoes, from whencesoever arriving, or of whatsoever composed, on the same terms as Vessels of the most favoured Nations, or, in other words, to comply with the Condition of the Act of Parliament, as understood by the Committee, would operate as a surrender of the principle of equality, &c; — Secondly, that a (corresponding) desire to arrange the Colonial Intercoarse on a satisfactory footing, appeared to exist on the part of the British Government; and that the Negotiations respecting it were expected to come to a definitive issue before the next Session of Congress.

To this day, the Government of The United States are not sure that they understand precisely what was intended by the Condition. Desirous as they were that their Proposal should be accepted, they wished to present it in the most unexceptionable form; and if, instead of offering to comply with the Act of Parliament, which certainly was the most simple proposition, and the most likely to be favourably received, a specifick Proposal has been made, it is in fact, because it was thought unsafe to agree to terms not sufficiently understood, and which have not been explained.

It has been justly observed by Lord Dudley, that the abolition of the discriminating duties must, under any construction of the Act, have been an essential term in the Condition. The Undersigned, in his Note of December 28, 1826, when observing that the words, "Commerce and Navigation of this Country," might have been intended to include only the circuitous Intercoarse, expressly stated what was true, that "this last interpretation had been suggested only by the observations that had occurred in the course of Mr. Canning's Correspondence with him." Mr. Canning had limited his animadversions on the Acts of The United States to two Enactments only,—the discriminating Duties, and the restrictions on British Vessels employed in what has been called the circuitous or indirect Intercoarse. The specifick Proposal made by The United States embraces those two objects. Having no other light but what was derived from the Correspondence, they presumed, without being certain that they were not mistaken, that it might be accepted as a fulfilment of the Condition. The intimation that they would have considered the removal of the Interdict as a matter of course, had it not

been for Mr. Canning's declaration, is clearly to be understood as founded on the supposition, that they were not mistaken in the interpretation, which, for the reasons that have been stated, they had ventured to give to the Act of Parliament. But it cannot certainly be inferred that, because, in framing a Proposal and reasoning upon it, they have been induced to adopt, or rather to assume, a certain construction, they no longer have, much less that they never had, well-founded doubts on the meaning of the Act.

It is rather remarkable that, after those doubts had been so explicitly stated, in the Note of December 28, 1826, to Mr. Canning, he did not even advert to that branch of the Discussion in his Reply of January 27, 1827, and still more so, that Lord Dudley, whilst commenting upon it, should have carefully avoided giving any explanation, and, on the contrary, should have distinctly said, that he neither admitted nor denied that construction which the Undersigned had suggested as being the literal, and which Lord Dudley designates as the severer interpretation of the Act. The Undersigned is at a loss how to account for the reluctance, which seems to have been evinced of saying at once what was truly intended by the Condition so often alluded to.

The final disposition of the Bill, which had been introduced for the repeal of the discriminating Duties, even if considered as an absolute rejection, proves only that, either it appeared to be unnecessary, as not fulfilling all the Conditions required by the Act of Parliament, or that the American Legislature relied on the issue of the expected Negotiations.

If the Government of The United States did not apply to that of Great Britain for an explanation of the Condition, it was partly because the distance between the Two Countries would have rendered such explanation unavailable, in relation to any proceedings of Congress during the pending Session, principally because entire reliance was placed on the issue of the Negotiations, since the Cabinet of Washington had concluded to withdraw all the Propositions which had heretofore prevented an Arrangement.

The reasons, why not the slightest apprehension was entertained of the determination of the British Government to consider this as no longer a fit subject for Negotiations, have been repeatedly stated.

At the conclusion of the Conferences of the year 1824, between the Plenipotentiaries of the Two Countries, the Negotiations were expressly stated to be *suspended*, by the necessity of referring to Washington on some of the subjects which had been discussed; and the Plenipotentiaries parted under circumstances which prevented, *for the present*, any further progress in the Negotiations.

Indeed those which have been carried on between His Majesty's Plenipotentiaries and the Undersigned, have been so clearly considered as being generally the continuation of the Negotiations of 1824, that, at their first Conference, and in relation to the subject first taken up, the British Plenipotentiaries observed "that a proposal of Settlement on that subject having been offered on the part of Great Britain, during the course of the Negotiations in 1824, which Proposal had been taken by the American Plenipotentiary for reference to his Government, they presumed that Mr. Gallatin was prepared to give an answer to that, or to offer some new Proposal." And the American Plenipotentiary did accordingly *substitute* another Proposal for that which had been made by Mr. Rush in 1824.

There was, therefore, a perfect understanding between the Two Governments in that respect. His Majesty's Minister at Washington, in conformity with it, announced, in March 1826, to the Government of The United States, that his own was preparing to proceed in the important Negotiations between the Two Countries, that a new Plenipotentiary had been appointed on the part of Great Britain, and that the Negotiations would, therefore, be forthwith resumed.

No exception had been made, none was at that time suggested to be intended on the part of Great Britain, with respect to the Colonial Intercourse.

Lord Dudley has taken no notice of the circumstances which so naturally induced the American Government to rely on the ensuing Negotiation, as

the means of regulating the Intercourse in a manner satisfactory and beneficial to both Countries. But, referring to a Letter of December 1825, from Mr. Clay to a Member of Congress, he has expressed his astonishment, that it could have been supposed, that the British Government did not mean so to construe the Act of July 1825, as to comprehend The United States within it; and that, if it had been at first presumed that they would be excepted by a special Order in Council, that expectation should have been unshaken, when, after six months, no such Order had been issued, nor any intimation given to that effect.

It has not been believed by the Government of The United States that, in case an Arrangement was not made by Treaty, they would, nevertheless, by special favour, be permanently exempted from the general operation of the Act. But it was presumed that Great Britain, under the expectation of a favourable issue of the Negotiations that were to be forthwith resumed, would suspend the operation of the Act, in regard to The United States, until the result of those Negotiations was ascertained. In what manner that suspension would be effected was not known.

Mr. Clay's Letter is written entirely in that spirit. He did not believe that it was intended by the British Government, that the Act of July 1825 should disturb the Trade between the British Colonies and The United States, first and principally, because it would be inconsistent with Negotiations between the two Governments, contemplated, if not yet resumed. Had it not been that it had been announced by the Authorities at Halifax, that it was intended to close that Port against American Vessels, he would have been strongly inclined to think that the Intercourse was intended to continue to be regulated by the former Acts of Parliament. If the Halifax construction should prove to be correct, he was persuaded that an exception in favour of the American Trade would be made by a special Order in Council.

It is true that no such Order was issued, and equally true that, after the lapse of a few weeks, neither Mr. Clay, nor any other person in America, expected that it would be issued. For the Halifax construction having been abandoned, and that, as well as all the other British Colonial Ports, remaining open to American Vessels after the day when the Act of Parliament was to take effect, it was concluded without further investigation, that that Act was not intended, at least for a time, to operate on The United States. It has since been made known that the suspension, which in fact took place, was intended by Great Britain, not in reference to Negotiation, but in order to ascertain the result of the proceedings of Congress.

Lord Dudley intimates, that the Government of The United States set out with a very mistaken opinion of the views of Great Britain respecting her Colonies, and more especially respecting the importance to those Colonies of a direct Intercourse with the Ports of The United States; and he seems to think that this is the only principle which would account for some of the proceedings of that Government.

Coinciding entirely in Lord Dudley's opinion, that perfect frankness is not only consistent with friendly feelings, but even essential to a mutual good understanding and confidence, the Undersigned will be as explicit on this as on any other subject.

The United States do not suppose the direct Intercourse between their Ports and the British Colonies to be necessary to those Colonies. They know that the British West Indies have been supplied by other means, and have not materially suffered during those periods when that Intercourse was interrupted by war, or has been interdicted by the Laws of the Two Countries.

But though not necessary to either Party, that Commerce is known to be beneficial to both. The proof is found in the fact that it has always been carried on to a considerable extent whenever it has been permitted; that absolute prohibitions can alone stop it. That Great Britain thinks so herself cannot be denied. It is believed that, except when the Two Nations have unfortunately been at war, there has not to this day been any time, at which the

Intercourse has not, with certain limitations, been allowed by her in British Vessels.

There are not, perhaps, two Countries, within the same distance from one another, and with such easy and prompt communications, which have products so essentially different as the West Indies and The United States. There are, therefore, not any between which Commerce is more natural and the exchange of their respective commodities more mutually beneficial. The Laws which interdict such an Intercourse are an obvious and practical departure from those principles of Free Trade which are, in other respects, so ably upheld and vindicated.

It is not at all asserted that the injury arising from a suspension of that Commerce is more heavily felt by one Party than by the other. The American Government neither over-rates the importance to the West Indies of the direct Intercourse, nor denies its great utility to The United States. In both Countries the planter or farmer is, by the suspension, deprived of one of the markets for his produce, and compelled to pay dearer for his supplies; and a positive evil is inflicted on both Parties without any visible advantage to either.

The right of Great Britain to regulate the Intercourse with her Colonies is not questioned; and it is not usual for Nations to make any great sacrifice for the sake of asserting abstract principles which are not contested. She is undoubtedly the only proper judge of what should be her Commercial Policy. The Undersigned has not been fortunate enough to be able to discover what actual advantages she derives from the Measures in which she perseveres in regard to the Colonial Intercourse. He has apprehended that considerations foreign to the question might continue to oppose obstacles to a proper understanding. Nothing has been omitted to remove those which might have arisen from misconceptions of the views and proceedings of the American Government. It is gratifying to have received assurances that the Decision of Great Britain was not influenced by any unfriendly feelings towards The United States. Their sentiments for Great Britain are those of amity and good will; and their Government is animated by a sincere desire to improve and strengthen the friendly Relations of the Two Countries.

The Undersigned has the honour to renew, &c.

The Earl of Dudley,
 &c. &c. &c.

(Signed) ALBERT GALLATIN.

Enclosure in No. 4.

19TH CONGRESS, 1st SESSION.

IN SENATE OF THE UNITED STATES.

March 21, 1826.

Mr. Lloyd, from the Committee on Commerce, to whom was referred the Memorial of the Merchants, Ship-Owners, and Manufacturers, of the City of Baltimore, made the following Report:

THE Memorialists state, "that Great Britain having lately opened the Trade of her North American and West India Colonies, insomuch that not only are almost all articles admitted, but the Trade of those Colonies is accessible to all Parts of the World, on far more favourable terms than those now enjoyed by Merchants of The United States;" "They, therefore, submit the propriety of abolishing the discriminating Duties of ninety-six cents per ton, on British Colonial Vessels, and of ten per cent. additional on the duties on their Cargoes, and of admitting British Vessels, from whatever Ports, on the same terms as the Vessels of the most favoured Nations."

In reference to which, the Committee remark: that, by the existing Laws of The United States, a duty of fifty cents per ton, as a tonnage duty, and fifty cents per ton, as light money, is imposed on all Foreign Vessels entering

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the Ports of The United States, with an addition of ten per centum on the amount of duties on the Cargoes of all such Vessels as belong to Foreign Powers, who do not admit the Vessels of The United States into their Ports on the same terms as their own Vessels: that a Convention is now in operation between The United States and Great Britain, whereby the Duties on the Vessels and Cargoes of the respective Parties, so far as regards the Commerce between The United States and the Territories of Great Britain, in Europe, are equalized: but that the Provisions of this Convention do not extend to the British Colonial Possessions in America; in consequence of which, British Vessels, arriving in The United States from those Colonies, pay the discriminating Duties before mentioned, amounting on the Vessel, to one dollar per ton of its admeasurement; while Vessels belonging to The United States, pay only six cents per ton, on entering our own Ports; but that these Vessels, entering British Colonial Ports, are subject to a counter-vailing Duty of four shillings and three pence sterling per ton, equal to ninety-four cents, being the difference in favour of American over British Vessels, from the Colonies, entering the Ports of The United States.

This distinction it has long been the earnest desire of the Government of The United States to annul, on the principle of a just reciprocity; but although much discussion has been had on the subject, and many Laws have been enacted in reference to it, by both Parties, the desired result has not yet been accomplished.

By an Act of Congress, of March 3d, 1815, the discriminating Duties on Vessels and Merchandize, were proffered to be repealed in favour of any Foreign Nation which should, on its part, reciprocate the same Provisions of Law towards The United States.

By the Conventions of 1815 and 1818, this was done, between The United States and the Territories of Great Britain in Europe: and a reciprocal liberty of Commerce was established between them, for the period of ten years from the last mentioned date. This, however, produced no adequate relaxation of the British system in relation to her Colonies, from which Vessels of The United States continued to be excluded; in consequence, a due degree of self-respect, on the part of The United States, gave rise to the passing of an Act, in April 1818, by which the Ports of The United States were closed to British Vessels, arriving from a Port or Place in any British Territory, to which Vessels owned by Citizens of The United States, were not admitted.

In May 1820, the Act of April 1818, was extended so as to embrace and exclude from the Ports of The United States, British Vessels arriving from Ports in Lower Canada, Nova Scotia, New Brunswick, Newfoundland, and all Ports under the dominion of Great Britain in the West Indies, and on the Continent of America, which, from having been occasionally opened, were not considered as included in the Act of April 1818.

But, to enable the Government of The United States, consistent in its principles, and always ready to verify its professions, to meet the overtures of any Foreign Nations on equal terms, in May 1822, an Act was passed, authorizing the President, on satisfactory evidence being given to him that the British Colonial Ports were opened to the Vessels of The United States, to issue his Proclamation, declaring the Ports of The United States opened to British Vessels employed in that Trade.

And, in consequence of an Act of Parliament of June 24th, 1822, admitting Vessels of The United States into certain enumerated Ports in the British Colonies, still another Law of Congress was passed, March 1st, 1823, by which the Ports of The United States were opened for Vessels arriving therein from the said enumerated British Ports, and from all others which were, or might be, opened thereafter, to the Vessels of The United States; and the President was authorized to equalize the Duties on such British Vessels and their Cargoes, on proof being given to him that no other or higher rate of tonnage or impost, and no other charges of any kind, were levied or exacted, in the said British Ports, on United States' Vessels, than were paid by British Vessels and Merchandize, imported into the said Colonial Ports, from elsewhere than The United States.

Since which time, several Acts of Parliament have been passed, having special or incidental reference to the Trade with the British-American Colonies; and under which, and the Laws of The United States, before recited, a Commercial Intercourse was opened, and has been prosecuted, between The United States and certain British Colonial Ports; but to an extent not equal to the expectations that had been formed respecting it, nor, as it is contended, on terms of equality; the want of which, having given rise to discussions, if not to a dissatisfaction, between the Parties engaged in it, it may be useful briefly to advert to:

On the part of the American Government, it is alleged, that a just reciprocity does not exist, inasmuch as the Duties on American Vessels and their Cargoes, arriving at British Colonial Ports, are required to be discharged by an immediate prompt payment, and frequently at a great sacrifice to acquire the means of doing it, while a credit is given for the Duties payable on British Vessels and their Cargoes, arriving in The United States from the Colonies, of six and nine months: that bonds, with sureties, are required for the landing of the return Cargo in a specified Port in The United States, which are occasionally obtained with great difficulty, by the Owners or Masters of the smaller American Vessels engaged in the Trade: that an export duty of two per cent. is imposed on the return Cargo, which cannot be countervailed in The United States: that Vessels, arriving at a bad Market, have, at times, not been allowed to seek a better, unless by a double payment of duties, while British Vessels from the West Indies, seeking a favourable sale for their Cargoes, may run along the whole Coast of The United States, from New Orleans to Eastport: that onerous and heavy duties, and Colonial fees, are exacted, amounting, as is stated, in some instances, on small lumber-loaded Vessels, to the value of the Cargo; the latter of which is corroborated, in a degree, by Mr. Huskisson, in his Speech in Parliament, in March, of the last year, in which he mentions the liability to abuse, and vexation of the practices in this particular; and states that, in many instances, the fees alone, which are exacted upon a Ship and Cargo, amount to much more than all the publick duties: and that an important discriminating Duty is imposed, in the West India Markets, on the flour, the bread stuffs, and the lumber, of The United States, over that which is paid on the same articles, when received from Canada, Nova Scotia, and New Brunswick, and which, amounting in many instances to a full freight, gives a decisive advantage to importations from the latter.

And although it is to be admitted, that some of these regulations are of a character so municipal, as not to be legitimate objects of complaint, in reference to an International Intercourse; yet they, nevertheless, do, in fact, contravene that just reciprocity, on which it was to be presumed it would be the desire of both Parties to place the Trade between them.

While the British Government, on its part, contends, as is understood, that it is justified in requiring an abrogation of the discriminating Duties, in consequence of its having partially opened its Colonial Ports, for the importation of a limited number of articles from The United States; and that it has a right to make any municipal or local regulations it pleases; and among others, that of admitting, free of duty, the produce of its Colonies, however remotely situated, while it imposes an impost on articles of the same description from other Countries; but allowing some plausibility to this reasoning, it is to be recollected, that the question at issue between the Two Countries, is not so much one of abstract right, as of equality and reciprocity in entering into a Commercial Arrangement intended to promote the mutual advantage of both Parties.

The foregoing presents a brief synopsis of the Measures which have been adopted since the year 1815, by The United States and Great Britain, relative to the Trade with the British Colonies, and of the present state of it.

The recommendation of the Memorialists now is, that the discriminating Duties still imposed on British Vessels and Merchandize from those Colonies, should be immediately abolished; and that British Vessels, coming from

whencesoever they may, and with whatsoever loaded, should be admitted into the Ports of The United States, on the same terms as the Vessels and Cargoes of the most favoured Nations.

The effect of which the Committee believe would be, summarily, to yield to Great Britain all she could ask, without any equivalent accommodation being granted on her part: for, to admit British Vessels, indiscriminately, into the Ports of The United States, with their Cargoes, from whencesoever arriving, or of whatsoever composed, on the same terms as our own Vessels, or those of the most favoured Nations, which would be the same thing, while she allows the admission of American Vessels into her Ports only partially, for certain prescribed articles, and those limited to the growth, produce, or manufacture, of The United States, and to a manifest disadvantage when compared with the like and the principal articles which she wants when from elsewhere imported into the Colonial Ports, would operate as a surrender of the principle of equality, and a withdrawal, from the controul of the Government of The United States, of the means it possesses of leading to a better, and more desirable, because more equal, state of Intercourse between the Two Countries.

From this view of the subject; and a cursory reference to the numerous Acts which have been passed in relation to it, during the last ten Years, both by The United States and by Great Britain, evidence will at once be furnished of the complexity of the interests connected with it, of the difficulty satisfactorily to arrange them, and especially of the inefficacy of isolated Legislation for the attainment of this International Object; and also affording, as the Committee cannot but believe, a strong ground of preference, for an Arrangement being effected, if practicable, by a Convention between the Two Governments, on a just and liberal basis, which, when agreed to, would be permanent and unalterable for the term of its duration; rather than to rely on detached, independent, substantive Acts of Legislation, which, however well intended, are sometimes ambiguous, and liable to misconstruction by those who are called to administer them; and, at all times, subject to revocation by the Parties enacting them.

Of the inconvenience and inexpediency of substituting which, the Memorialists themselves furnish a strong proof in point, by the statement they make in their Memorial, of the British Ports of Halifax, in Nova Scotia, and St. John's, in New Brunswick, which were opened for the admission of Vessels of The United States by an Act of Parliament of June 24, 1822, having in January last, suddenly, and without notice, been closed against Vessels of The United States in mid-winter, and on an extremely hazardous and inclement Coast; under a construction of an Act of Parliament of July 1825, and which construction is now admitted, even by the British Authorities themselves, to have been erroneous.

From all these views, which might be extended, and from the Committee having reason to believe, that an adjustment of the Commercial Intercourse between The United States and the British Colonial Possessions, forms one of the special and prominent objects which have been committed to the Minister of The United States at the Court of London; that a corresponding desire to arrange it on a satisfactory footing appears to exist on the part of the British Government, and that the Negotiations respecting it are expected to come to a definitive issue, before the next Session of Congress; the Committee, although fully agreeing with the Memorialists in the wish to cultivate and extend the Trade in question, which they trust may be done to the mutual advantage of the Parties concerned in it, are still unanimously of opinion, that it is not expedient, at this time, to legislate on the subject; and, therefore, ask to be discharged from the further consideration of the Memorial.

Which is respectfully submitted.

CONVENTION OF COMMERCE

BETWEEN

HIS MAJESTY

AND

THE UNITED STATES OF AMERICA.

Signed at London, August 6, 1827.

Presented by Command of His Majesty.

Ordered by the House of Commons to be printed, June 20, 1828.

[REPRINTED AT THE FOREIGN OFFICE, JULY 1900.]



Coolidge fund

CONVENTION of Commerce between His Majesty and the United States of America.

Signed at London, August 6, 1827.

HIS Majesty the King of the United Kingdom of Great Britain and Ireland, and the United States of America, being desirous of continuing in force the existing commercial regulations between the two countries, which are contained in the Convention concluded between them on the third of July, 1815, and further renewed by the Fourth Article of the Convention of the twentieth of October, 1818, have, for that purpose, named their respective Plenipotentiaries, that is to say:

His Majesty the King of the United Kingdom of Great Britain and Ireland, the Right Honourable Charles Grant, a member of His said Majesty's Most Honourable Privy Council, a Member of Parliament, and Vice-President of the Committee of Privy Council for Affairs of Trade and Foreign Plantations; and Henry Unwin Addington, Esquire;

And the President of the United States of America, Albert Gallatin, their Envoy Extraordinary and Minister Plenipotentiary to His Britannick Majesty;

Who, after having communicated to each other their respective full powers, found to be in due and proper form, have agreed upon and concluded the following Articles:—

ARTICLE I.

All the provisions of the Convention concluded between His Majesty the King of the United Kingdom of Great Britain and Ireland, and the United States of America, on the third of July, 1815, and further continued for the term of ten years, by the Fourth Article of the Convention of the twentieth of October, 1818, with the exception therein contained as to St. Helena, are hereby further indefinitely, and without the said exception, extended and continued in force from the date of the expiration of the said ten years, in the same manner as if the provisions of the said Convention of the third of July, 1815, were herein specifically recited.

ARTICLE II.

It shall be competent, however, to either of the Contracting Parties, in case either should think fit, at any time after the expiration of the said ten years, that is, after the twentieth of October, 1828, on giving due notice of twelve months to the other Contracting Party, to annul and abrogate this Convention: and it shall, in such case, be accordingly entirely annulled and abrogated, after the expiration of the said term of notice.

ARTICLE III.

The present Convention shall be ratified, and the ratifications shall be exchanged in nine months, or sooner if possible.

In witness whereof the respective Plenipotentiaries have signed the same, and have affixed thereto the seals of their arms.

Done at London, the sixth day of August, in the year of our Lord One thousand eight hundred and twenty-seven.

(L.S.)
(L.S.)
(L.S.)

CHA. GRANT,
HENRY UNWIN ADDINGTON.
ALBERT GALLATIN.

CONVENTION of Commerce between His
Majesty and the United States of
America.

Signed at London, August 6, 1827.

Presented by Command of His Majesty.

Ordered by the House of Commons to be printed,
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[REPRINTED AT THE FOREIGN OFFICE, JULY 1800.]

